

# STATE OF COLORADO

## DIVISION OF HOUSING

Kathi Williams, Director

**STATE HOUSING BOARD MEETING**  
**Centennial Building**  
**1313 Sherman St., Denver, CO, Room 318**  
**Tuesday, September 9, 2008**



### AGENDA

1:00 p.m.	Convene SHB Meeting - Approval of Minutes	Theo Gregory
	Director's Comments	Kathi Williams

### Application Presentations

<u>Time</u>	<u>Project #</u>	<u>Project Name and Applicant</u>	<u>Presenters</u>
1:15 p.m.	08-041	Summit Combined Housing Authority Down Payment Assistance Program	Denise Selders & Jennifer Kermode
1:30 p.m.	08-043	Montrose County Housing Authority / VOA Elderly Housing III Apartments	Bill Whaley & Shalonda Lincoln
1:45 p.m.	08-060	Carbondale Senior Housing Corporation Crystal Meadows Phase V	Bill Whaley & Jerome Whalen
2:00 p.m.	09-001	Las Animas County Down Payment Assistance Program	Rick Hanger & Donna Haddow
2:15 p.m.	09-004	Housing Authority of Trinidad Community Housing Services	Rick Hanger & Sam Maxwell
2:30 p.m.	TBD	Foreclosure Prevention Outreach RFP	Ryan McMaken

### Approval Process

2:45 p.m.	08-041	08-043	08-060	09-001	09-004	TBD
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### Other Business

3:00 p.m.	Revised Installation Rules for Adoptions	Steve Bernia
3:15 p.m.	Stakeholder's Meeting – Future Funding Issues	Kathi Williams

*Reasonable accommodation will be provided upon request for persons with disabilities. If you are a person with a disability who requires an accommodation to participate in this public meeting, please notify Trang Van at (303) 866-5657 by September 8, 2008.*

cc:	Susan Kirkpatrick	CHATS	Teresa Duran	Kathi Williams
	Rick Hanger	Lynn Shine	Steve Bernia	State Housing Board Members

**STATE HOUSING BOARD MINUTES**  
**Colorado Division of Housing**  
**1313 Sherman St., Denver, CO, Room 318**  
**Tuesday, July 8, 2008**

**BOARD MEMBERS PRESENT:** Suzanne Anarde, Theo Gregory, Sally Hatcher, Jack Kelly, Gene Lucero, Mike Rosser and Karen Weitkunat

**BOARD MEMBERS ABSENT:** None.

**DOH STAFF PRESENT:** Teresa Duran, Rick Hanger, Denise Selders, Robert Thompson, Stephanie Morey, Ann Watts and Trang Van

**CALL TO ORDER:** The meeting was called to order by Theo Gregory at 1:00 p.m.

**APPROVAL OF MINUTES:** Minutes of the June 2008 meeting were approved.

## **DIRECTOR'S COMMENTS**

Director Williams was unable to attend the meeting. Deputy Director, Teresa Duran gave an update on current events and announcements.

- Customer Service Survey – The Division of Housing (DOH) launched a Customer Service Survey beginning July 3<sup>rd</sup> and ending July 20<sup>th</sup>. This survey was an initiative from our Executive Director, Susan E. Kirkpatrick, who wanted all of the divisions within the Department of Local Affairs (DOLA) to develop customer service surveys. This in turn will help develop a baseline this year in order to gauge where we're at now and how to improve our performance in the future. We hope that this will be very helpful to get information back from the public on areas that we can improve. The survey is up on our website and we are encouraging everyone to participate.
- Upcoming Trainings and Events:
  - We have some upcoming foreclosure forums:
    - July 12<sup>th</sup> is with Congressman Tom Tancredo in Littleton
    - July 19<sup>th</sup> is with Senator Ken Salazar in Fort Collins
  - The Developer's Toolkit training is going to be held in Grand Junction in August.
  - DOH will be holding a CDBG Boot Camp Training on July 21<sup>st</sup>- 23<sup>rd</sup> in Centennial, CO.
  - DOH will also be hosting Fair Housing Trainings in order to meet our requirement with the impediments of fair housing.
    - July 29<sup>th</sup> in Denver
    - August 5<sup>th</sup> and 6<sup>th</sup> in Pueblo
    - August 11<sup>th</sup> and 12<sup>th</sup> in Grand Junction
    - August 14<sup>th</sup> and 15<sup>th</sup> in Greeley.
  - All of the training information is listed on our website. We encourage everyone to

attend these trainings and forums.

- We have received preliminary information today from the Office of Inspector General's audit. They provided us a list of ineligible projects and questionable projects. The consequences of the list of projects could be that DOH may have to repay money to HUD. We will be working to respond to this list and provide you an update at our next meeting regarding this OIG audit on the CDBG program.
- Thanks for the input that was received regarding the State Housing Board Retreat in October. We're going to have it start on Tuesday, October 14<sup>th</sup> at 9 a.m. beginning with a light agenda on the regular meeting and following through with the retreat until about 5 to 6 p.m. that day. If we need to do any follow up, we will schedule Wednesday, October 15<sup>th</sup> for 9 a.m. to noon. For the remainder of the time, you'll be able to attend the Housing Now Conference.

## **APPLICATIONS REVIEWED IN JULY**

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**Larimer County Home Improvement Program  
Housing Rehabilitation Program**

**Project Number: 08-056**

**Project Manager & Address:** Amy Irwin  
Home Improvement Program Manager  
Housing Authority of the City of Loveland  
375 W. 37<sup>th</sup> Street, Suite 200  
Loveland, CO 80538  
(970) 635-5931  
(970) 278-9904 Fax  
[airwi@lovelandhsg.org](mailto:airwi@lovelandhsg.org)

**Project Address:** Various locations in Larimer County (outside of Loveland and Fort Collins city limits)

**Project Description:** The Housing Authority of the City of Loveland (HACOL) is requesting a CDBG grant for \$202,700 in continuance of the Larimer Home Improvement Program. These grant funds will be used to assist with the repair and rehabilitation of (fifteen) 15 homes by providing low-interest loans to homeowners earning less than 80% AMI. Historically those assisted by the program have fallen under the 50% AMI level. CDOH funds will be used only in the non-entitlement areas of Larimer County. This program was initially funded by CDOH with HOME funds in 1993. Under its current contract, HACOL has completed 36 rehabilitation jobs over a three-year period.

**Staff Recommendation:** Full Funding

**Date of Meeting:** July 8, 2008

Anarde	Full Funding	Lucero	Full Funding
Gregory	Full Funding	Rosser	Full Funding
Hatcher	Full Funding	Weitkunat	Full Funding
Kelly	Full Funding		

**The Board approved Full Funding for this project.**

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**Upper Arkansas Area Council of Governments  
Owner-Occupied Rehabilitation**

**Project Number: 08-067**

**Project Manager & Address:** Judy Lohnes, Executive Director  
Upper Arkansas Area Council of Governments (UAACOG)  
3224 Independence Road  
P.O. Box 510  
Canon City, CO 81215  
(719) 269-7687  
(719) 275-2907 Fax  
jlohn@uaacog.com

**Project Address:** Throughout Lake, Chaffee, Fremont, Custer and Teller Counties

**Project Description:** Fremont County, on behalf of the Upper Arkansas Area Council of Governments (UAACOG), requests a \$171,350 grant to continue their Owner-Occupied Rehabilitation program. They have operated this program since 1987, and this funding would allow them to rehab another 19 units for homeowners at or below 80% AMI in the next year.

**Staff Recommendation:** Full Funding

**Date of Meeting:** July 8, 2008

Anarde	Full Funding	Lucero	Full Funding
Gregory	Full Funding	Rosser	Full Funding
Hatcher	Full Funding	Weitkunat	Full Funding
Kelly	Full Funding		

**The Board approved Full Funding for this project.**

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## **OTHER BUSINESS**

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- **Codes Section Program Update – Steve Bernia**

- Since 2003, there has been an 86% increase in manufactured housing.
  - Definitely more utilization in electronics
  - An inspector is now stationed in Grand Junction to avoid massive travel time.
  - A temporary inspector has been hired
- H1319 Bill
  - This Bill requires yearly training of inspectors and requires rule making for the installation program.
  - September 2<sup>nd</sup> is the public hearing and it will be brought to the SHB for adoption.
  - Codes will be asking for 5.3 more FTE (Full-Time Employees).
    - Would like to bring on another plan reviewer.
    - Hopefully, this can increase inspection efficiency with others stationed throughout the state and in turn will decrease travel time and expenses.

**The meeting proceeded into an Executive Session at 2:00 p.m. with a discussion at 2:19 p.m. of a Personnel Matter.**

**The meeting adjourned at 2:25 p.m.**

**NOTE: The August meeting was cancelled as we were unable to have a quorum present**

# SEPTEMBER PRESENTATIONS

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**Summit Combined Housing Authority  
Down Payment Assistance Program**

**Project Number: 08-041**

**Project Manager & Address:** Ms. Jennifer Kermode  
Executive Director  
Summit Combined Housing Authority  
P.O. Box 188  
Breckenridge, CO 80424  
(970) 423-7043 telephone  
(970) 423-7045 fax  
email: [Jenniferk@summithousing.us](mailto:Jenniferk@summithousing.us)

**Project Address:** Various in Summit County

**Project Description:** The Summit Combined Housing Authority (SCHA) requests a \$45,960 grant for administrative costs to operate their existing down payment assistance program serving the non-entitlement areas of Summit County. SCHA will provide a minimum of sixteen (16) down payment assistance loans from Program Income over the next year. These grant funds will be used to provide low-interest down payment assistance loans to homebuyers earning less than 80% AMI (the HUD Low Income limit) who work a minimum of 30 hours/week in Summit County. The program is not limited to first-time buyers. SCHA provides the homebuyer education classes through their CHFA approved program. This Program is operated in accordance with the CDOH Down Payment Assistance Program Guidelines. SCHA services the CDOH loan portfolio as well as managing two other DPA programs: The House to Homeownership (H2O) funded by Funding Partners and the Colorado Mountain Housing Coalition (CMHC), both of which serve homebuyers earning below 100% AMI.

**PROGRAM BUDGET**

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Home Mortgages Leveraging Estimate	\$2,519,936		\$2,519,936	Mortgage Lenders	Ongoing
Down Payment Assistance	\$214,872		\$214,872	Program Income	Committed
Homebuyer Equity	\$46,736		\$46,736	Homebuyers	Ongoing
Project Administration (Direct Costs)	\$26,981	\$12,409	\$14,572	Intergovernmental Agreement (IGA)	Committed
Program Administration (Indirect Costs)	\$38,856	\$33,551	\$5,305	IGA	Committed
Homebuyer Education	\$3,900		\$3,900	Colorado Housing Finance Authority	Committed
<b>Totals</b>	<b>\$2,851,281</b>	<b>\$45,960</b>	<b>\$2,805,321</b>		

**Staff Allocation Plan**

Staff Position	Total Salary & Fringe	% of Time CDOH Down Payment Assistance Program	% of Time Real Estate Activities & Other DPA Programs	% of Time SFOO Rehab Program	% of Time Section 8	% of Time Operations	% of Time TOTAL
Executive Director	\$105,840	2% (\$2,117)	48%	8%	1%	41%	100%
DPA Program Director	\$62,640	27% (\$16,913)	55%	12%	1%	5%	100%
Bookkeeper	\$43,200	53% (\$22,896)	17%	18%	2%	10%	100%
Section 8	\$48,600	2% (\$972)	26%	2%	42%	28%	100%
RE Program Director	\$63,720	36% (\$22,939)	45%	14%	0%	5%	100%
<b>Totals</b>	<b>\$324,000</b>	<b>1.2 FTE (\$65,837)</b>					

**PROJECT ASSESSMENT FOR DOWNPAYMENT ASSISTANCE**

<b>Criteria</b>	<b>Project Data</b>	<b>DOH Range</b>
<b>(a) Down Payment Financing</b>		
Value of Current Loan Portfolio	\$1,124,602	
Total # of Loans in Portfolio	112	
# of Deferred Loans in Portfolio	(0 full deferrals, 7 for 5 years or more)	
Value of Loans Deferred until Sale or Transfer	\$87,500 7.81% of Portfolio Value	Up to 50% (100% can be deferred up to 5 yrs)
Annual Program Income	\$214,872/year average	
Total # of New Loans	16	
New Loans from Program Income	16	
New Loans from CDOH Grant	0	
Homebuyers Equity	\$500 minimum / \$2,921 average	\$500 minimum
Maximum CDOH Loan Amount	\$25,000 max. (\$13,000 avg.)	4.5% - 8.5% of FHA Limit
Loan Terms & Rates	3% interest, 20 year amortization	
<b>Market</b>		
Qualifying Household Income	< \$61,500 (HUD Low Income Limit)	50%-80% AMI, 4 people
# of Affordable Homes For Sale	15 in MLS as of 6/30/08	Affordable at 80% AMI
Average price of homes for sale	\$414,950 (market rate)	
Max. Purchase Price of Homes	\$693,263 (Max. \$173,417 for below 80% AMI)	95% of FHA Limit
# of Applicants on Waiting List	None at present	
Geographic Distribution of Projects vs. Population	Breckenridge: 23% / 12% pop. Frisco: 11% / 10% pop. Dillon: 9% / 3% pop. Silverthorne: 13% / 14% pop. Summit County: 43% / 58% pop.	
<b>Program Operations</b>		
Administrative Cost/New Loan	\$4,115/loan (based upon actual cost) \$2,873/loan (from CDOH funds)	\$300 – 500 per new loan or actual admin cost
CDOH Funding Eligibility	<b>CDBG, HOME, HDG</b>	



## **Comments:**

- **Management Capacity**

*Pro:*

1. SCHA hired a new Executive Director in December of 2007 who has experience as a mortgage broker in Breckenridge. The Downpayment Assistance Program Manager has been with SCHA in that capacity for the past four years.
2. This DPA loan program was initiated in 2000 and has a history of loan production of 20 or more loans per year. Since inception of the program, SCHA has made a total of 241 loans.

*Con:*

1. Due to turnover in bookkeeping staff, quarterly financial reports and pay requests have not been submitted on a timely basis in the past year. CDOH Asset Management staff is providing training and technical assistance in this regard.

- **Public/Private Commitment**

*Pro:*

1. In January of 2007, Summit County and the Towns of Breckenridge, Dillon, Frisco, Montezuma and Silverthorne executed a Second Amended Intergovernmental Agreement as the members of the Summit Combined Housing Authority. This document provides for the distribution of sales and use tax revenues (0.125%) from each member to fund the administrative expenses of the Summit Combined Housing Authority. The total allocation for 2008 is \$196,074. The program budget reflects \$19,877 in Intergovernmental Agreement funds being allocated to the administrative costs for this program.

*Con:* None.

- **Market Demand**

*Pro:*

1. Based on the Housing Demand Study by RRC Associates (July 18, 2007), there are 1,537 households earning below 80% AMI who would like to purchase homes in Summit County. The number of homes on the market at that time priced below \$173,417 (the maximum price for those at that income) was 24 units representing only 5% of the condos and townhomes on the market. No single family homes were available in that price range. According to the Multiple Listing Service, as of June 30, 2008, there are 15 homes available. Ten homes were recently sold at one new development in Breckenridge.
2. There are a total of 16 new units being developed in Frisco and Silverthorne which will be available in the spring of 2009. Fifty more units are being developed in Breckenridge and will be available in December of 2009.
3. The RRC Associates survey indicates that 62% of renters would be willing to purchase a deed restricted home rather than pay \$100,000 more for a home. However, only 30% of current homeowners would be willing to purchase a deed restricted property.

*Con:* None.

- **Explain Variances from Ranges:** The administrative costs for this program are above the range due to the staff salary levels, which are higher due to the high cost of living in Summit County.

**Other Projects funded in Summit County since 9/07:** None

**Other Summit Combined Housing Authority funded projects since 9/07:** None

Summit County AMI: \$81,300

Staff Recommendation: Full Funding

Date of Meeting: September 9, 2008

Anarde		Lucero	
Gregory		Rosser	
Hatcher		Weitkunat	
Kelly			

**Volunteers of America National Services (VOANS)  
Montrose County Housing Authority (MCHA)  
VOA/Elderly Housing III**

**Project Number: 08-043**

**Project Manager & Address:** Shalonda Lincoln, VOANS  
1660 Duke Street  
Alexandria, VA 22314-3427  
(703) 341-5057  
(703) 341-7001 Fax  
[SLincoln@voa.org](mailto:SLincoln@voa.org)

**Project Address:** 1819 Pavilion Drive, Montrose, CO

**Project Description:** Volunteers of America and the Montrose County Housing Authority are requesting a \$571,696 grant to construct 30 units of low-income elderly rental apartments in the City of Montrose. The three-story structure will be funded primarily with a HUD 202 Capital Advance which operates as a 40 year loan which is forgiven at the end of the term and requires no payment. HUD 202 funds have been maximized and the project requires CDOH funding to fill the gap. The building will contain 30 one-bedroom one bath apartments which will be supplemented with a Project Rental Assistance Contract from the HUD 202 program that will ensure that no resident pays more than 30% of their income in rent. Qualifying tenants will all be below 50% of Area Median Income. One two-bedroom unit will also be constructed to provide residence for an on-site manager. The development will be located on 2.9 acres on the VOA campus which includes senior independent apartments, a nursing home, and a low-and-moderate-income family rental complex.

### PROGRAM BUDGET

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Land Acquisition	\$252,000	\$252,000			
Appraisal, Market Study, Soils, Environmental	\$60,250		\$60,250	HUD 202	Committed
Bldg. Permit, Tap Fees	\$223,956		\$223,956	City of Montrose	Committed
Off –Site Infrastructure	\$39,100	\$39,100			
On-Site Infrastructure and Site Work	\$384,409	\$280,596	\$103,813		
Construction	\$3,217,962		\$3,168,962	HUD 202	Committed
			\$49,000	City of Montrose	Committed
Architect, Engineering	\$219,040		\$219,040	HUD 202	Committed
Const. Interest, Fees, Taxes, Ins.	\$28,112		\$28,112	HUD 202	Committed
Permanent Financing, Legal and LIHTC Costs	\$24,500		\$24,500	HUD 202	Committed
Developers Fee (Contingency)	\$379,148		\$379,148	HUD 202	Committed
Totals	\$4,828,477	\$571,696	\$4,256,781		

**PROJECT ASSESSMENT FOR Rental New Construction**

Criteria	Project Data	DOH Range
<b>Building Cost</b>		
Cost/sq. ft./Unit Cost	\$186/Sq. ft. /\$155,757/Unit	\$120 - \$180
Hard Cost/Unit/Sq. Ft.	\$148/Sq. ft. / \$123,885/Unit	\$95 to \$140
Soft Cost/Unit/Sq. Ft.	\$38/Sq. ft. / \$31,873/Unit	\$25 to \$40
Hard/Soft Cost	80%/20%	
Land Cost	\$8,129/Unit	\$10,000 - \$18,000
<b>Cost Effectiveness Rating</b>		
DOH subsidy/unit	\$18,442	\$4,000 to \$10,000
Cost Person Rating	5 / \$2,012 / 50 years	1 to 10 Scale
Externality Rating	8	1 to 10 Scale
Rent Savings Rating	4	1 to 10 Scale
Financial Leveraging Rating	8	1 to 10 Scale
Composite Score	25	
<b>Operating Cost</b>		
PUPA	\$3,620	\$3,200 to \$4,200
Debt Coverage Ratio	HUD 202-no payment, no additional debt	1.10 to 1.20
<b>Financial Commitments</b>		
Terms of Primary Financing	N/A	
P.V. Tax Credits	N/A	\$.85 to .95
<b>DOH Requirements</b>		
Priority	Special Needs, High Growth	
Eligibility Criteria	CDBG, HOME, HDG	
<b>Other Criteria</b>		
# of Fully Accessible Units	30 / 100%	5% of Units Minimum
# of Visitable Units	30 / 100%	All units Encouraged
# of Energy Star Units	30 / 100% - employ energy conservation techniques.	Units Have Minimum 80 HERS Rating or equivalent
Water Efficient Landscape	yes	Follow Denver Water Board Recommendations
# of 30% Units	30 /100%	5% of Units Encouraged

## **Comments:**

- **Management Capacity**

***Pro:***

1. VOANS is the development and management arm for Volunteers of America which also includes a Colorado chapter. VOANS currently owns and operates 4,000 units of affordable multi-family housing. They have previously received CDOH funds to build a tax-credit-funded family rental complex and a HUD-202-funded Elderly Independent Living facility on this campus located near Montrose's Pavilion Conference and Community Center. At the time of development of the Pavilion, the City provided streets and some infrastructure for the VOA campus, the elderly housing facilities, including the nursing home are designed to allow Montrose County Seniors to "age in place." The housing authority will sponsor the project, passing CDBG funds through to VOANS for site acquisition and other CDBG eligible costs.

***Con:*** None.

- **Public/Private Commitment**

***Pro:***

1. The City of Montrose provided some infrastructure, roads and intersections for the VOA campus in the early 1990s. The City is waiving \$223,956 in tap fees and land use fees. Additionally, they are waiving sales tax on construction materials that will amount to \$49,000. As part of the HUD 202 process, VOANS has made a \$25,000 capital investment that will remain in the project funding to cover any operating deficits.

***Con:*** None.

- **Market Demand**

***Pro:***

1. The market study indicated an immediate need for 445 rental units affordable to those at or below 80% AMI in Montrose County, with 178 needed for renters over age 65 and below 50% AMI. This facility would capture 17.4% of the existing need. Currently five facilities in Montrose provide 194 affordable units for seniors all are full and carry waiting lists from 9 to 29. Only 48 new units of new affordable rental housing have been built in this market since 2000. Vacancy levels have been around three percent for several years, with vacancy in subsidized projects at less than two percent.

***Con:*** None

**Explain Variances from ranges** – Construction costs are high due to the location, which requires transportation costs to the mountain region, and high labor costs due to competition from neighboring resort communities. High hard costs have increased the subsidy level requested to an amount above the suggested range, since HUD 202 projects cannot borrow additional funds to finance the project.

**Projects funded in Montrose County and for the Montrose County Housing Authority in the last year:** Needs Assessment MCHA \$40,000, Sunshine Peak Annex MCHA

**Staff Recommendation:** Full Funding

**Date of Meeting:** September 9, 2008

Anarde		Lucero	
Gregory		Rosser	
Hatcher		Weitkunat	
Kelly			

**Carbondale Senior Housing Corporation (CHSC)  
Town of Carbondale Housing Authority  
Crystal Meadows V**

**Project Number: 08-060**

**Project Manager & Address:** Jerome Whalen  
Carbondale Senior Housing Corp.  
1250 Hendrick Drive  
Carbondale, CO 81623  
(970) 963-3300  
Fax (970) 963-9326  
sarge@rof.net

**Project Address:** S Side Westridge Court, Carbondale, CO

**Project Description:** Carbondale Senior Housing Corporation and The Town of Carbondale are requesting a \$225,000 grant to construct 15 units of low-income elderly rental apartments in the Town of Carbondale. This is Phase 5 of senior housing development which will total 79 units, and will be funded primarily with a HUD 202 Capital Advance which operates as a 40 year loan which is forgiven at the end of the term and requires no payment. HUD 202 funds have been maximized and the project requires CDOH funding to fill the gap. The building will contain 15 one-bedroom 1 bath apartments which will be supplemented with a Project Rental Assistance Contract from the HUD 202 program that will ensure that no resident pays more than 30% of their income in rent. Qualifying tenants will all be below 50% of Area Median Income. The development will be located on a 32,673 square foot parcel adjacent to the other 64 units of Crystal Meadows.



### PROGRAM BUDGET

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Land Acquisition	\$520,000		\$520,000	Carbondale	Committed
Appraisal, Market Study, Soils, Environmental	\$20,490		\$20,490	HUD 202	Committed
Bldg. Permit, Tap Fees	\$109,000	\$84,000	\$25,000	Carbondale	Committed
Off-Site Infrastructure	\$119,200	\$119,200			
On-Site Infrastructure and Site Work	\$65,300	\$21,800	\$43,500	HUD 202	Committed
Construction	\$1,859,179		\$1,859,179	HUD 202	Committed
Architect, Engineering	\$101,121		\$101,121	HUD 202	Committed
Bond, Construction Insurance, Taxes, .	\$49,400		\$49,400	HUD 202	Committed
Permanent Financing, Legal and LIHTC Costs	\$28,250		\$28,250	HUD 202	Committed
Developers Fee (Contingency)	\$31,450		\$6,450	HUD 202	Committed
			\$25,000	Carbondale	Committed
Totals	\$2,903,390	\$225,000	\$2,678,390		

**PROJECT ASSESSMENT FOR Rental New Construction**

Criteria	Project Data	DOH Range
Building Cost		
Cost/sq. ft./Unit Cost	\$336/Sq. ft. /\$193,559/Unit	\$120 - \$180
Hard Cost/Unit/Sq. Ft.	\$252/Sq. ft. / \$144,878/Unit	\$95 to \$140
Soft Cost/Unit/Sq. Ft.	\$85/Sq. ft. / \$48,681/Unit	\$25 to \$40
Hard/Soft Cost	75%/25%	
Land Cost	\$34,667/Unit	\$10,000 - \$18,000
Cost Effectiveness Rating		
DOH subsidy/unit	\$15,000	\$4,000 to \$10,000
Cost Person Rating	4 / \$2,072 / 50 years	1 to 10 Scale
Externality Rating	8	1 to 10 Scale
Rent Savings Rating	10	1 to 10 Scale
Financial Leveraging Rating	10	1 to 10 Scale
Composite Score	32	
Operating Cost		
PUPA	\$4,379	\$3,200 to \$4,200
Debt Coverage Ratio	HUD 202-no payment, no additional debt	1.10 to 1.20
Financial Commitments		
Terms of Primary Financing	N/A	
P.V. Tax Credits	N/A	\$.85 to .95
DOH Requirements		
Priority	Special Needs, High Growth	
Eligibility Criteria	CDBG, HOME, HDG	
Other Criteria		
# of Fully Accessible Units	15 / 100%	5% of Units Minimum
# of Visitable Units	15 / 100%	All units Encouraged
# of Energy Star Units	15 / 100% - employ energy conservation techniques.	Units Have Minimum 80 HERS Rating or equivalent
Water Efficient Landscape	yes	Follow Denver Water Board Recommendations
# of 30% Units	15 /100%	5% of Units Encouraged

## **Comments:**

- **Management Capacity**

**Pro:** Carbondale Senior Housing Corporation developed 16 units of senior housing in 1988 with USDA Section 515 funds, added 16 units in 1995, 16 units in 1996, and 16 units in 2002, all with the HUD 202 program. All of the properties are managed by the Town of Carbondale Housing Authority which was created for this purpose and has managed the units since 1988. They refer seniors to community-based programs for counseling, health care, education, food service, and recreation.

**Con:** None.

- **Public/Private Commitment**

**Pro:** The Town of Carbondale provided the site for the senior housing from land provided by the PUD developer. In addition, Carbondale has provided a \$25,000 grant and has waived \$25,000 in permits and fees. CSHC has raised \$60,000 from local charitable contributions to provide predevelopment costs and the HUD 202 required investment.

**Con:** None.

- **Market Demand**

**Pro:** CSHC currently has a waiting list of 40 persons for the proposed units. The 2007 Carbondale Community Survey shows that 16 percent of the population is over 65 and that 58 percent of Carbondale residents pay \$1,000 to \$2,000 in monthly housing costs. The average single family home sells for over \$782,000, and the average rental unit costs \$433,137 to build.

**Con:** None

**Explain Variances from ranges** – Construction costs are high due to the location, which requires transportation costs to the mountain region, and high labor costs due to competition from neighboring resort communities and communities impacted by oil and gas exploration and development. High hard costs have increased the subsidy level requested to an amount above the suggested range, since HUD 202 projects cannot borrow additional funds to finance the project.

- **Projects funded in Garfield County and for the Town of Carbondale Housing Authority in the last year:** None
- **Garfield County AMI:** \$66,500

**Staff Recommendation:** Full Funding

**Date of Meeting:** September 9, 2008

Anarde		Lucero	
Gregory		Rosser	
Hatcher		Weitkunat	
Kelly			

**Huerfano/Las Animas Housing Resources  
Down Payment Assistance Program**

**Project Number: 09-001**

**Project Manager & Address:** Ms. Donna Haddow  
Executive Director  
Huerfano/Las Animas Housing Resources, Inc.  
134 West Main Street, Suite 12  
Trinidad, Colorado 81082  
719.846.7882 telephone  
719.846.4550 fax  
[housingresources@yahoo.com](mailto:housingresources@yahoo.com) email

**Project Address:** Various in Huerfano and Las Animas Counties



**Project Description:** Las Animas County, on behalf of Huerfano/Las Animas Housing Resources, Inc. (HLHR), is requesting a \$42,100 CDBG grant to provide a minimum of seven (7) down payment assistance loans in Huerfano and Las Animas counties over the course of the next year. These grant funds will be used by the HLHR, Inc. to provide low-interest loans to assist in the purchase of homes by first-time homebuyers. This Program has been in operation for two years and has provided down payment assistance to seven (7) households to date. First-time home buyer counseling is provided through the CHFA Website and providers in the Pueblo area.

### PROGRAM BUDGET

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Home Mortgages Leveraging Estimate	\$715,439		\$715,439	Mortgage Lenders	Pending
Down Payment Assistance	\$35,675	\$35,000	\$675	<b>Program Income</b>	<b>Committed</b>
Home Buyer Counseling	\$1,000		\$1,000	<b>Various Providers</b>	<b>Committed</b>
Program Administration	\$7,100	\$7,100			
Totals	\$759,214	\$42,100	\$717,114		

### STAFF ALLOCATION PLAN

	Salary and Benefits	General CHDO Operations	Down Payment Assistance	Energy Auditing / Education	Transitional Housing	Single-Family Projects
Executive Director	\$44,694	40%	10%	10%	10%	30%

# PROJECT ASSESSMENT FOR DOWNPAYMENT ASSISTANCE

Criteria	Project Data	DOH Range
<b>(b) Down Payment Financing</b>		
Value of Current Loan Portfolio	\$12,614.53	
Total # of Loans in Portfolio	5	
# of Deferred Loans in Portfolio	None	
Value of Loans Deferred until Sale or Transfer	N/A	Up to 50% (100% can be deferred up to 5 yrs)
Annual Program Income	\$676.80/average \$135.36 per loan	
Total # of New Loans	7	
New Loans from Program Income	0	
New Loans from CDOH Grant	7	
Homebuyers Equity	\$500 minimum	\$500 minimum
Maximum CDOH Loan Amount	\$5,000 maximum	4.5% - 8.5% of FHA Limit
Loan Terms & Rates	.5 to 1.5% based on AMI Level	
Market		
Qualifying Household Income	\$53,900	50%-80% AMI, 4 people
# of Affordable Homes For Sale	111 in MLS as of 8/28/08 bi-county	Affordable at 80% AMI
Average price of homes for sale	\$92,088	
Max. Purchase Price of Homes	\$257,498	95% of FHA Limit
# of Applicants on Waiting List	0 ≤ 80% AMI (some applicants have been referred to other agencies while application is pending)	
Geographic Distribution of Projects vs. Population	Huerfano County: 20% / 25% Las Animas County: 80% / 75%	
Program Operations		
Administrative Cost/New Loan	\$1,014 / per new loan	\$300 – 500 per new loan or actual admin cost
CDOH Funding Eligibility	<b>CDBG</b> , HOME, HDG	

## **Comments:**

- **Management Capacity**

***Pro:***

1. Huerfano/Las Animas Housing Resources was established as a Community Housing Development Organization (CHDO) in 2005 (first staffed in 2006) to support the development of housing programs and projects. This is a single staff organization that continues to establish new programs and organization name recognition/credibility in order to meet the identified housing needs of the community.
2. The HLHR, Inc. has operated their Down Payment Assistance Program for two years in accordance with the CDOH Down Payment Assistance Guidelines.

***Con:***

1. Production under the existing contract has been much slower than originally planned. HLHR, Inc, is continuing their efforts to develop the organization and its programs.

- **Public/Private Commitment**

***Pro:***

1. Huerfano/Las Animas Housing Resources is supported locally through a variety of sources. General administrative funds have been committed by the City of Trinidad, City of Walsenburg, First National Bank of Trinidad, Pioneer Natural Resources, and the Anschutz Family Foundation. In addition, Trinidad/Las Animas County Economic Development contributes office space and operational support in excess of \$5,000 year.
2. The Colorado Division of Housing (CDOH) is in the third year of providing CHDO Operating funds to this applicant. The HLHR understands the importance of establishing on-going fundraising mechanisms and programs that will permit the organization to be less dependent on government funds.

***Con:***

1. This is a three-year old CHDO that currently relies on significant government funds for general operations and programs. It is anticipated that this CHDO will continue to work to develop other sources of income for the organization as it establishes itself in the community.

- **Market Demand**

***Pro:***

1. Although this Program has not received overwhelming use since its inception, HLHR continues to see steady interest and feedback from local governments, local lenders, and real estate agents about the importance of this Program.
2. This Program was developed in direct response to the Strategic Planning developed from the 2005 Housing Needs Assessment.

***Con:***

1. This is a two-year old Program that did not meet the production timeline of the original contract (four loans in a year). HLHR, Inc. believes that the marketing and groundwork initiated over the last two years will deliver a greater demand for the Program in the future.

- **Explain Variances from Ranges:** None.

**Other Projects funded in Huerfano and Las Animas Counties since 9/07:**

- **Huerfano/Las Animas Housing Resource, Inc.**
  - a) CHDO Operating Funds, \$50,000, grant – 10/07
- **Las Animas County/South Central Council of Governments**
  - a) Single-Family, Owner-Occupied Housing Rehabilitation, \$329,049 grant – 12/07
- **Walsenburg Housing Authority/HLHR, Inc.**
  - a) Home Ownership Acquisition/Rehabilitation/Resale Program, \$104,500 grant – 3/08

**Other Huerfano/Las Animas Housing Resources funded projects since 9/07:**

- **Huerfano/Las Animas Housing Resource, Inc.**
  - a) CHDO Operating Funds, \$50,000, grant – 10/07
- **Walsenburg Housing Authority/HLHR, Inc.**
  - a) Home Ownership Acquisition/Rehabilitation/Resale Program, \$104,500 grant – 3/08

**Huerfano County Median Family Income:** \$39,600

**Las Animas County Median Family Income:** \$42,200

**Staff Recommendation:** Full Funding

**Date of Meeting:** September 9, 2008

Anarde		Hatcher	
Gregory		Lucero	
Rosser		Weitkunat	
Kelly			



**Housing Authority of the City of Trinidad  
Community Housing Services Statewide Assistance**

**Project Number: 09-004**

**Project Manager & Address:**

Mr. Sam Maxwell  
Executive Director  
Community Housing Services, Inc.  
1212 Mariposa Street  
Denver, Colorado 80204  
303.831.1750 ext. 200 telephone  
303.374.7810 fax  
[sam@chsico.org](mailto:sam@chsico.org)

**Project Description:** The Housing Authority of the City of Trinidad, on behalf of Community Housing Services, Inc., requests a \$45,000 CDBG grant to provide housing information and referrals, landlord tenant counseling, senior housing locator assistance, effective tenant training, and homeless and/or displacement services to the low-income households in non-entitlement areas of Colorado. Community Housing Services, Inc. provides households at risk of homelessness or unnecessary displacement with assistance concerning their rights and the community resources available to them. The City and County of Denver, Arapahoe County, and the City of Westminster have been provided similar services by Community Housing Services, Inc. for over two decades.

**PROGRAM BUDGET**

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
<b>General Administration</b>					
Salaries/Fringe	\$1,587	\$1,587			
Operations	\$7,946	\$6,696	\$1,250	Fundraising	Committed
Other-Indirect	\$2,785	\$2,285	\$500	Fundraising	Committed
<b>Direct Administration</b>					
Salaries/Fringe	\$35,432	\$34,432	\$1,000	Fundraising	Committed
Totals	\$47,750	\$45,000	\$2,750		

**Comments:**

- **Management Capacity:**

***Pro:***

1. Community Housing Services, Inc. has been addressing tenant/landlord issues for over two decades and current counseling staff has been in place since 2000. The CDOH and the Colorado Office of Civil Rights refer households to these services via voice mail and website links.
2. In order to provide more complete statewide coverage, this grant request will assist in establishing a statewide toll-free number. This will permit households in rural Colorado easier and less costly access to legal and other services/resources available through CHS.

***Con:***

1. This is the first CDOH contract to be managed by the City of Trinidad Housing Authority and Community Housing Services, Inc.

- **Public/Private Commitment:**

***Pro:***

1. This project receives significant financial contributions from the Denver Metro area to support these services in the entitlement areas (and current statewide activities).

***Con:*** None.

- **Market demand:**

***Pro:***

1. Current call logs maintained by Community Housing Services, Inc. indicate utilization of their services from all areas of the State.

***Con:*** None.

- **Explain Variances from ranges:** There are no variances from the ranges.

- **Other Projects funded in Statewide since 9/07:**

- a) Colorado Housing Assistance Council – HERO Alliance Down Payment Program, \$662,760 grant – 10/07

- **Other Projects funded for the City of Trinidad Housing Authority since 9/07:** None.

**Staff Recommendation:** Full Funding

**Date of Meeting:** September 9, 2008

Anarde		Hatcher	
Gregory		Lucero	
Rosser		Weitkunat	
Kelly			

## COLORADO DIVISION OF HOUSING \* HOUSING DEVELOPMENT ANALYSIS SPREADSH

Project Name: 0  
Date: 9/2/2008  
Applicant: 0  
Spreadsheet Version: Application

NOT REQUIRED FOR DEVELOPMENT PROJECTS  
Page #6  
Sample Staff Allocation Plan

Staff Position	Total Salary & Fringe	% of Time (Program State)	% of Time (Program CCH)	% of Time (Program ARAP)	% of Time (Program DENVER)	% of Time (Program HUD)	% of Time (Program Publications)	% of Time (Program adm)
Rehabilitation Specialist								
Housing Assistant	\$32,000	20%	10%		20%	0%	0%	
Housing Attorney	\$55,000	25%	10%	10%	55%			
Housing Counselor	\$26,446	15%	5%	5%	50%	20%	5%	
Accounting								
Exec. Director	\$68,770	15%	20%	5%	50%	15%		5%
Totals	\$182,216	\$34,432	\$23,776	\$10,261	\$84,258	\$15,605	\$1,322	\$3,439

bi-lingual

## **RESOLUTION #38**

### **MANUFACTURED HOUSING INSTALLATIONS**

#### **BE IT RESOLVED BY THE STATE HOUSING BOARD OF THE STATE OF COLORADO;**

THAT PURSUANT TO '24-32-3301 et seq C.R.S. as amended, the State Housing Board of the State of Colorado (the "Housing Board") repeals and readopts Resolution #38, Manufactured Housing Installations; and

THAT PURSUANT TO '24-32-3301 et seq C.R.S. as amended, the State Housing Board adopts the nationally recognized codes as cited in SCHEDULE "B" as the “Colorado Manufactured Housing Installation Code” that are the Division of Housing responsibility; and

THAT PURSUANT TO '24-32-3301 et seq C.R.S. as amended the State Housing Board states the basis and purpose of these rule changes is to update the current minimum construction and safety code for “Manufactured Housing Installations”; and

THAT PURSUANT TO '24-32-3301 et seq C.R.S. as amended, the State Housing Board establishes standards, to the extent allowed by the state constitution, Article 50 of the “State Personnel System Act”, and the rules promulgated by the Personnel Board, for private inspection and certification entities to perform the Colorado Division of Housing’ certification and inspection of Manufactured Housing Installations; and

THAT PURSUANT TO '24-32-3301 et seq C.R.S. as amended, the State Housing Board states that “Manufactured Housing Installation” installers shall have the option to contract with the Colorado Division of Housing or an authorized inspection agency to perform inspection and certification functions where a local jurisdiction does not have exclusive inspection agency rights; and

THAT PURSUANT TO '24-32-3301 et seq C.R.S. as amended, the State Housing Board establishes minimum training standards for installers and inspectors; and

The Colorado Housing Board repeals and readopts these rules and regulations to be administered and enforced by the Colorado Division of Housing (Division).

## **RULES AND REGULATIONS**

### **SECTION 1: SCOPE**

Every manufactured home installed after the effective date of these regulations that is installed in a temporary or permanent location and is designed and commonly used for occupancy by persons for residential purposes, must display an insignia issued by the Division of Housing, certifying that the unit is installed in compliance with the standards adopted in Schedule "B," which is incorporated herein and made a part of these Rules and Regulations by reference, and all other requirements set forth by this resolution.

Temporary installations for the purpose of home display, which will be relocated to another location prior to use as a residence, are exempted from these rules and regulations.

The State Housing Board states that the Program Manager, Housing Technology and Standards Section, Colorado Division of Housing, 1313 Sherman Street, Room 321, Denver, Colorado, 80203, will provide information regarding how the codes adopted in Schedule "B" may be obtained or examined. Incorporated material may also be examined at any state publications depository library.

### **SECTION 2: DEFINITIONS**

"Certificate of Occupancy" means a certificate issued by the Division of Housing for the installation of a manufactured home that is in compliance with the manufactured home installation requirement. The certificate of installation shall be referred to as the "Insignia."

"Certified Inspector" means a local jurisdiction, individual, private firm, housing inspector, Colorado licensed engineer or architect who has been approved by the Division of perform or enforce installation inspections.

"Certified Installer" means an installer of manufactured homes who is registered with the Division of Housing, has installed at least five manufactured homes in compliance with the manufacturer's instructions or standards created by the Division of Housing and is currently approved as a certified installer by the Division.

“Conflict of Interest” means when there is personal or private interest(s) sufficient to influence or appear to influence the proper exercise of duties and/or responsibilities.

“Division” means the Division of Housing.

“Insignia” means a certificate of installation issued by the Division of Housing to indicate compliance with the manufactured home installation regulations established by the State Housing Board.

“Installation” means the placement of a manufactured home on a permanent or temporary foundation system. Such term includes, without limitation, supporting, blocking, leveling, securing and anchoring such home and connecting multiple sections of such home.

“Installer” means any person that attaches the manufactured unit sections together and ties the home to its foundation support and anchoring system.

“Installation Authorization” means a notice when posted on the site of an installation that the installer has made application to install a manufactured home and has received authorization to install. The installer’s certificate shall be referred to as the Installation Authorization.

“Manufactured Home” means any pre-constructed building unit or combination of pre-constructed building units, without motive power, where such unit or units are manufactured in a factory or at a location other than the residential site of the completed home, which is designed and commonly used for the occupancy by persons for residential purposes, in either temporary or permanent locations and which unit or units are not licensed as a vehicle. Manufactured home includes mobile homes, manufactured homes built to the HUD standards, and factory-built units built to the building code standards adopted by the Division.

“Manufacturer” means any entity that constructs or assembles a manufactured home in a factory.

“Owner” means the owner of a manufactured home or property.

“Participating Jurisdiction” means a local governmental entity which has agreed to administer and inspect manufactured housing installations within the legal boundaries of the jurisdiction.

“Registered Installer” means an installer who has registered with the Division and is in compliance with the manufactured home installation program requirements.

### **SECTION 3: INSTALLERS OF MANUFACTURED HOMES - REGISTRATION**

Manufactured Home installers in this state shall first register with the Division. The installer shall be responsible for supervising all employees and for the proper and competent performance of all employees working under his or her supervision.

#### **Installation by Owners**

A person who owns the manufactured home or the real property where the home is to be installed, is not required to register as an installer with the Division but shall comply with all provisions of these regulations other than registration provisions.

A person who installs more than one manufactured home in any twelve-month period either owned or on real property owned by such person must register as an installer and shall comply with all registration provisions.

#### **Registered Installers**

In order to be registered as a manufactured home installer, an applicant shall be at least eighteen years of age.

An application for registration or certification as a manufactured home installer, whether initial or renewal, shall be submitted on a form provided by the Division and shall be notarized and verified by a declaration signed under penalty of perjury by the applicant. The Division shall make the application and declaration available for public inspection.

At the same time that an application for registration is filed, the following must be submitted:

- (a) Proof in the form of a copy of a valid drivers license or certificate of birth that the applicant is at least eighteen years of age; and
- (b) Furnish written evidence of a minimum twelve months of installation experience under direct supervision of a registered or certified installer; or equivalent training; or experience as determined by the Division; and
- (c) Pass a Division approved installation test; and

- (d) After January 1, 2009, furnish written evidence of completion of 8-hours of Division approved education; and
- (e) Carry and provide proof of contractor's liability insurance in an amount not less than one million dollars (\$1,000,000.00). The insurance policy shall contain a provision for the immediate notification of the Division upon cancellation; and
- (f) A letter of credit, certificate of deposit issued by a licensed financial institution, or surety bond issued by an authorized insurer in the amount of ten thousand dollars (\$10,000.00) for the performance of installations pursuant to the manufacturer's instructions or standards promulgated by the Division. A provision shall be included for the immediate notification of the Division upon cancellation.

Persons employed by a registered or certified installer, as well as persons employed by a legal or commercial entity employing a registered or certified installer, when performing installation functions under the direct on-site supervision of such installers are not required to register. The registered installer shall be responsible for supervising all employees and for the proper and competent performance of all employees working under his or her supervision.

A registration issued pursuant to this section shall be valid for one year from the date of issuance and shall not be transferred nor assigned to another person. If any of the application information for the registered installer changes after the issuance of a registration, the registered installer shall notify the Division in writing within thirty days from the date of the change. The Division may suspend, revoke, or deny renewal of a registration if the registered installer fails to notify the Division of any change in the application.

**RENEWAL:** Any registered or certified installer seeking to renew registration shall, at the time of applying for renewal, provide proof of eight hours of Division approved education completed within the last 12 months, liability insurance and letter of credit, certificate of deposit, or surety bond.

The Division, or a Certified Inspector at the request of the Division, may at the Division's sole discretion, inspect the installation of any manufactured home performed by the Registered Installer.

#### **SECTION 4: CERTIFIED INSTALLERS**



Any registered installer who has performed five installations that have passed inspection by the Division or certified inspectors may apply to the Division for certification. The Division shall not charge a fee for certification of installers. The Division may certify any installer who provides evidence of five or more installations of manufactured homes performed by such installer. Evidence of installation shall include copies of all inspection reports made for each installation made by the Division or a certified installation inspector. If in the judgment of the Division, such installer has demonstrated the ability to successfully complete installations of manufactured homes in accordance with the requirements, a certification inspection will be scheduled. Certification will be granted if the installation is approved.

If the review of the evidence of the installations does not clearly demonstrate the ability to successfully complete installations in compliance with the requirements, the division may require additional installations to be performed and reviewed prior to granting certification.

A certified installer may purchase from the Division, manufactured home installation certification insignias. These insignias will be completed by the certified installer upon completion of the installation of the manufactured homes and attached to the manufactured home in compliance with Section 11 of this Resolution. The certified installer shall make required insignia reports to the Division.

A certified installer shall be authorized to purchase insignias, to post certified installer installation authorization on the installation site, and to affix insignias after the installation is complete. Installations by a certified installer do not require an inspection by the division or a certified inspector. The Division or certified inspector at the request of the Division, may at the Division's sole discretion, inspect the installation of any manufactured home performed by a certified installer.

## **SECTION 5: CERTIFIED INSTALLATION INSPECTORS**

The Division may authorize independent contractors to perform inspections and enforcement of proper installation of manufactured homes. Enforcement shall include issuance of installation authorizations and permanent attachment of insignias signifying compliance with the manufactured home installation regulations. The Division may provide training for independent contractors. All independent contractors shall be certified to perform installation inspections by the division.

Applicants for certified installation inspector shall furnish written evidence of a minimum twelve months manufactured housing inspection experience; or equivalent training; or related experience

acceptable to the Division; or State of Colorado professional licensing in engineering or related construction fields. As of July 1, 2008, a new inspector must pass a Division-approved installation exam.

Inspector certifications will remain valid for three years and must be renewed. For renewals after January 1, 2009, inspectors must furnish written evidence of completion of either eight hours of Division approved installation education and twelve hours of International Code Council Education or twenty-four hours of Division approved installation education within the previous three years.

Where a jurisdiction has established a building department, that governmental body may make a written request to be the exclusive independent installation inspection agency within their legal boundaries. When granted, all manufactured home installation inspections will be made by that participating jurisdiction's certified installation inspectors or by certified installation inspector under contract to the jurisdiction. Division inspectors or Division designated independent inspectors shall make inspections within the jurisdiction in response to a complaint.

A certified inspector shall not make inspections where the inspector has a conflict of interest that may impair his ability to make fair and impartial inspections.

The division may revoke the certification of any inspector who fails to maintain the minimum requirements for the certification, has a conflict of interest impairing his ability to make impartial inspections or if investigation of complaints by the division reveals that the inspector has repeatedly failed to enforce the requirements of the program. The Division, or a Certified Inspector at the request of the Division, may at the Division's sole discretion, inspect the installation of any manufactured home inspected by the Certified Inspector.

## **SECTION 6: STANDARDS**

The Division shall adopt standards to be used state wide for the installation, inspection and enforcement of the installation of manufactured homes.

A local government unit may not adopt less stringent standards for the installation of a manufactured home than those adopted by the Division. A local government unit may not, without express consent by the Division, adopt different standards than the standards adopted by the Division for the installation of a manufactured home. Nothing in this section shall preclude a local government unit from enacting standards for manufactured homes concerning unique public safety requirements, such as weight restrictions for snow loads or wind shear factors, as otherwise permitted by law.

Any installation of a manufactured home in this state shall be performed in strict accordance with the applicable manufacturer's installation instructions. Where the manufacturer's instructions are not available, installation shall be in accordance with the alternate standards adopted by the Division.

Upon written request, the Division will consider modifications to the standards and/or alternate materials and methods of construction. The Division will require that sufficient evidence or proof be submitted to support and substantiate the modification and/or alternate request. The Division may approve any such modification and/or alternate, provided the Division finds that the proposed modification and/or alternate conforms with the intent and purpose of the standards and is equivalent in suitability, strength, effectiveness, durability, safety, and sanitation. The approval of any modification and/or alternate by the Division will be made in writing and is required prior to commencing the work in question.

The Division will, as necessary, coordinate inspections by certified inspectors, maintain accurate record keeping and promote a statewide standard for inspections of manufactured home installations. From time to time, the Division may issue interpretations to be followed during the course of manufactured home installations and inspections.

## **SECTION 7: INSPECTION PROCEDURES**

The Division shall adopt a standard Installation Authorization to be used statewide by the Division and certified inspectors, a standard inspection form, and minimum inspection form requirements. Inspection forms shall be maintained a minimum three years from the date of the attachment of the insignia.

Prior to beginning the installation of a manufactured home, the owner, registered or certified installer of a manufactured home shall make an application for an Installation Authorization from the Division, participating jurisdiction, or certified installation inspector.

Owners, registered, and certified installers shall display an Installation Authorization at the site of the manufactured home to be installed until a certification insignia is attached to the manufactured home certifying compliance. Each authorization for installation will contain the identity of the installer and owner as well as phone number and contact person and identify the installer as owner, registered or certified. The certificate will also include the name, address and telephone number of the agency issuing the Installation Authorization.

A copy of the manufacturer's instructions shall be available at the time of installation and inspection

of each new manufactured home. The installer shall be responsible to maintain a copy of the manufacturer's instructions at the installation site. Whenever the applicable standard (manufacturer's instructions, ANSI A225.1-1994, etc.) for the installation of the manufactured home is not present at the time of the inspection, the inspector may fail the inspection and require a re-inspection of the installation. All costs of the inspection and any following re-inspection will be borne by the installer. Where the manufactured home is used or is being relocated, the manufacturer's instructions will be used if available. If the manufacturer's instructions are not available, the applicable adopted alternate standard here in will be used for the installation.

The owner, installer, manufacturer, or retailer shall have the right to be present at any inspection.

All manufactured homes that are found to be in compliance shall have an insignia of installation completed and permanently attached by the inspector making the inspection. Installations made by a certified installer may be inspected and certified by the installer. Such installations do not require inspection by the division or certified inspector. The certified installer shall complete and permanently attach an insignia when the installation is complete and make Insignia Reports to the division as required.

When a manufactured home installation is not found in compliance with the applicable manufacturer's instructions or the installation standard, the installer shall be notified in writing by the inspector. The inspector may at the time of the inspection, include in the inspection report instructions for the installer to call for re-inspection at any stage to prevent cover up of any part of the installation requiring re-inspection by the inspector.

The installer shall pay for any repairs required to bring the installation into compliance. The installer will pay for any subsequent inspections required by the Division or certified inspector.

If a vacant manufactured home fails the installation inspection because of conditions that endanger the health or safety of the occupant, the manufactured home shall not be occupied. The manufactured home shall be visibly posted with notification to prevent occupancy.

If the home fails the installation inspection because of conditions that do not endanger the health or safety of the occupant, the manufactured home may be occupied pending the correction of those defects or deficiencies that served as the basis of the failed inspection.

Application of the certification insignia is evidence that permanent utility service may be established. Permanent insignia application is required prior to occupancy of the home.

If an installation or subsequent repair of an installation by an installer fails to meet the instructions or standards within the time limit allowed by the inspector, the inspector shall notify the installer

that the installation is in default. The installer shall be given ten working days after notification of default to bring the installation into compliance. Any independent inspector that knows of an installation that is in default and has not been corrected by subsequent repair shall request that the Division investigate the installation. The Division may revoke, suspend, or fail to renew the registration or certification of the installer and cause the forfeiture of the installer's surety bond on behalf of the owner of the manufactured home for failing to comply with the Division's standards regarding installation of a manufactured home.

## **SECTION 8: INSTALLATION EDUCATION**

The Division will review all educational courses submitted and will grant course approval in writing. The Division may audit courses and may request from each entity offering a Division approved course, all instructional material and attendance records as may be necessary for an investigation. Failure to comply may result in the withdrawal of Division approval of the course.

All continuing education must contain at the minimum the following instructional material:

1. Blueprint reading and comprehension.
2. Discussion of structural issues. For example: hinged roofs, cape cod roofs, marriage line fastening and support, foundation sizing, etc.
3. A review of Colorado Law, program rules and/or policies as they pertain to the technical issues being discussed at the training.

All continuing education courses may be offered and completed by distance learning.

The following course format and administrative requirements apply to all Colorado continuing installation education for installers and inspectors:

- (a) Courses must be at least one hour in length and contain at least 50 instructional minutes per course hour.
- (b) A maximum of 8-hours of credit may be earned per day.
- (c) No course may be repeated for credit in the same registration period.
- (d) Instructors may receive credit for classroom teaching hours once per course taught per year.
- (e) Hours in excess of the required amount may not be carried forward to satisfy a subsequent renewal requirement.

- (f) No school/provider may waive, excuse completion of, or award partial credit for the full number of course hours.

Each Colorado installer or inspector is responsible for securing from the provider evidence of course completion in the form of an affidavit or certificate of attendance. For distance learning an affidavit of completion signed under penalty of perjury is the only acceptable proof. In person courses may have a certificate signed by the instructor at the end of the course. Said documentation must be in sufficient detail to show the name of the licensee, course subject, content, duration, date(s), and contain the authentication of the provider. Installers and inspectors must retain proof of continuing education completion for three years, and provide said proof to the Division upon request.

Each approved provider must retain copies of course outlines or syllabi and complete attendance records for a period of three years.

Continuing education providers must submit an application form along with the following information at least 30-days prior to the proposed class dates:

- (a) Detailed course outline or syllabus, including the intended learning outcomes, the course objectives, and the approximate time allocated for each topic.
- (b) A copy of the course exam(s) and instructor answer sheet if applicable. In the absence of an exam, the criteria used in evaluating a person's successful completion of the course objectives
- (c) Copy of instructor teaching credential; if none, a resume showing education and experience which evidence the mastery of the material to be presented
- (d) A copy of advertising or promotional material used to announce the offering.
- (e) Upon Division request, a copy of textbook, manual, audio, videotapes, or other instructional materials.

By offering installation continuing education in Colorado, each provider agrees to comply with relevant statutes and rules and to permit Division audit of said courses at any time and at no cost.

## **SECTION 9: INVESTIGATIONS OF CONSUMER COMPLAINTS**

The Division may investigate complaints filed by owners, occupants, dealers, manufacturers or other parties relating to the installation of manufactured homes as necessary to enforce and administer these regulations.

In addition to the required inspections, the Division may inspect the installation of a manufactured home upon written complaint filed by the owner installer, manufacturer, or dealer of a manufactured home. The requesting party prior to the inspection shall pay for the inspection.

A certified inspector or participating jurisdiction shall file a written complaint with the Division against an installer who has been notified that the installation is in default.

If the installation of a manufactured home by an installer has failed the requested compliant inspection, the installer shall reimburse the Division for the cost of the failed inspection. The installer shall also pay for any subsequent repairs necessary to bring the installation into compliance with the manufacturer's instructions or standards. The installer shall also pay for any subsequent inspections required by the Division or the certified inspector. Failure of the installer to pay for any inspections or subsequent repairs deemed necessary by the Division or the independent contractor shall result in the revocation of registration and/or forfeiture of the installer's performance bond on behalf of the owner of the manufactured home.

The Division may designate a certified inspector to make inspection on behalf of the Division to aid in the investigation of consumer complaints.

## **SECTION 10: SUSPENSION OR REVOCATION**

The Division may suspend or revoke the registration or certification of an installer if the person fails to:

- File with the Division and keep in force a letter of credit, certificate of deposit, or surety bond as required; and

- File with the Division and keep in force required liability insurance; and

- Pay assessed inspection costs; and

- Make any subsequent repairs that are necessary to bring the installation into compliance with the manufacturer's instructions or the standards promulgated by the Division.

If within a time period established by the Division, the installer has not corrected any defects or deficiencies in the installation, the Division may revoke the certification or registration of any installer.

The division may temporarily suspend a registration or certification if proof of insurance or surety bond has expired.

The Division may revoke the certification of a Certified Installer and replace it, at its discretion, with the status of Registered Installer. All unused installation insignias must be returned to the Division

immediately and the installer will lose the right to purchase and install insignias.

When, in the judgment of the Division, the installer has performed installations of a manufactured home in violation of the program requirements, the Division may revoke or suspend the installer's certification or registration.

When the Division revokes a registration or certification, the installer may reapply as a registered or certified installer one year after the date of the revocation.

Installers whose registration or certification has been revoked or suspended may appeal the Division's decision to the State Housing Board, Technical Review Committee for a hearing.

## **SECTION 11: REVOCATIONS, SUSPENSION AND APPEAL PROCESS**

The Division of Housing may revoke or suspend a certification or registration after notice and hearing pursuant to Section 24-4-104 and 24-4-105, C.R.S.

Judicial review of the certification or registration revocation actions shall be governed by Section 24-4-106, C.R.S.

## **SECTION 12: INSTALLATION CERTIFICATION INSIGNIA**

The Division shall adopt a standard Insignia to be used statewide as a certificate of installation certifying that the manufactured home was installed in compliance with the provisions of this regulation.

The Insignia shall include, but not be limited to, the name, address, and telephone number of the Division, date the installation was completed, and name, address, telephone number, and registration number of the installer who performed the installation.

Insignias shall remain the property of the state of Colorado and are not subject to refunds.

The insignia shall be permanently attached to the exterior, within 30 inches of the electrical service entrance of the manufactured home that they certify and the insignia is not transferable. When there is no exterior electrical service equipment on the home, the insignia shall be affixed to the exterior of the home near the HUD label or other readily visible location.



The possession of unattached insignias is limited to the Division, participating jurisdictions, certified inspectors and certified installers. Participating jurisdictions, certified inspectors, and certified installers may purchase installation insignias from the Division. Insignias must be kept secure.

### **SECTION 13: INSTALLATION REPAIR PERIOD**

Reference State of Colorado, Division of Housing, Rule #1.

### **SECTION 14: PROCEDURES, RECORDS AND DATA KEEPING**

The Division will establish and maintain a system of databases and procedures for manufactured home installation and inspection necessary for the implementation of these rules and regulations.

The Division will maintain the program rules and regulations in electronic format. Where feasible, the Division will make use of a web page to distribute information, make available forms and applications, and list participating jurisdictions, registered installers, certified installers, and certified independent inspectors.

#### **ATTEST:**

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Kathi Williams, Director  
Colorado Division of Housing

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Theo Gregory, Chairperson  
Colorado State Housing Board

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Date

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Date

**SCHEDULE "A"**  
**INSTALLATION PROGRAM FEES**

All fees except inspection fees are due in advance and must accompany the application. Fees shall not be subject to refund.

- |    |   |           |
|----|---|-----------|
| 1. | Installer Registration:   | \$100.00  |
| 2. | Independent Inspector Registration  | \$100.00  |
| 3. | Installer Certification:  | No Charge |
| 4. | Inspector Certification:  | No Charge |
| 5. | Insignia Fees:  | \$40.00   |
| 6. | Red Tag Fee   | \$250.00  |
| 7. | Inspection Fees:  |           |
|    | A. Rough or Final Installation Inspection Fees:   | \$175.00  |
|    | B. Reinspection Fee for Red Tag Removal:  | \$175.00  |
| 8. | Waiver of Fees for Government Assisted Housing; with State Housing Board concurrence, the Division of Housing may waive inspection and insignia fees for units to be subsidized under local, state or federal housing programs for low-income households. |           |

## **SCHEDULE “B”**

The State Housing Board hereby adopts and incorporates by reference, the following standards and national recognized codes as the “Colorado Manufactured Housing Installation Code”. Materials incorporated by reference are those in existence as of the date of this resolution and do not include later amendments. Materials incorporated by reference is available for public inspection during regular business hours at the Division of Housing, 1313 Sherman Street, Room 518; Denver, Colorado 80203; or may be examined at any state publications depository library. Parties wishing to inspect these materials should contact the Program Manager, Housing Technology and Standards Section, located at the Office of the Division of Housing.

### **Colorado Manufactured Housing Installation Codes shall be:**

1. Primary Standard (Required for new homes):
  - A. The Home Manufacturer’s written Installation Instructions.
  - B. Local requirements approved in advanced by the Division.
2. Alternate Standards:
  - A. Permanent Foundations Guide for Manufactured Housing (HUD–7584), September 1996 Edition, published by the United States Department of Housing and Urban Development.
  - B. NCSBCS/ANSI A225.1 – 1994, 1999 Edition, published by the National Conference of States of Building Codes and Standards, Inc.
  - C. Local requirements approved in advance by the Division.
  - D. The following Amendments by addition, deletion, revision, and exception are made to the Permanent Foundations Guide for Manufactured Housing (HUD-7584), September 1996 Edition:

#### **APPENDIX B – FOUNDATION DESIGN LOAD TABLES**

In the multi-section tables under the marriage wall opening width (ft.), the values given for required effective footing area –  $A_{f\&g}$  (sq.ft.), should be divided by 2.

- E. The following Amendments by addition, deletion, revision, and exception are made to

**AMENDMENTS  
MANUFACTURED HOME INSTALLATIONS  
ANSI A225.1 - 1994**

**2 Definitions**

**Architect:** A State of Colorado Licensed Professional Architect.

**Carport:** An awning or shade structure for a vehicle(s) that is freestanding and entirely open on two or more sides, and not structurally attached to a Manufactured Home.

**Engineer:** A State of Colorado Licensed Professional Engineer.

**Geologist:** A State of Colorado Licensed Professional Geologist or Engineer.

**3.1.4 Fire separation distance**

The distance a home must be sited from other structures depends on its fire resistance rating and on local requirements. Contact the home's manufacturer or the inspection agency identified on the data plate for fire resistance rating information. In addition, contact the authority having jurisdiction for minimum fire separation distances.

**3.2.3 Soil**

Use a pocket penetrometer or other methods acceptable to the local jurisdiction having authority. The proper penetrometer reading must be taken in moist soil, after removing all organic material to undisturbed earth, at the foundation bearing level. The installer is responsible for documenting soil types and bearing capacities.

**3.4.4 Gutters and downspouts**

When gutters downspouts are installed, direct the run off away from the home. Splash blocks and downspout extensions will enhance drainage away from the home.

**4.0.1 Foundation Requirements**

All exterior walls, marriage walls, marriage wall posts, columns, and piers must be supported

on an acceptable foundation system that must be of sufficient design to support safely, the loads imposed, as determined by the character of the soil.

#### 4.0.2 Height Above Grade

Foundation walls shall extend at least 6" above the adjacent finished grade.

#### 4.0.3 Minimum Foundation Wall and Wall Footing Thickness

The minimum concrete or masonry foundation wall width shall be 6 inches. The minimum reinforced concrete footing thickness shall be 3-1/2 inches or 1-1/2 times the length of the footing projection from the foundation wall, whichever is greater.

#### 4.0.4 Crawl Space Requirements (Basementless Spaces)

##### 4.0.4.1 Height Requirement

Ground level must be at least 18 inches below the bottom of wood floor joists and 12 inches below the bottom of the chassis beams. (See 4.1.3.3).

##### 4.0.4.2 Interior vs. Exterior Ground Level

The interior ground level must be above the outside finish grade with a minimum 2% slope to the exterior unless:

1. Adequate gravity drainage to a positive out fall is provided, or
2. A Professional Engineer or Architect certifies the permeability of the soil and the water table is such that water will not collect in the crawl space, or
3. A full perimeter foundation drain and sump pit is provided.

#### 4.1.3.1 Load Bearing Capacity

Replace Table 4.1 and 4.2 with Table A, Table B, and Table C.

#### 4.1.3.2 Configuration

Select manufactured pier heights so that the adjustable risers do not extend more than 2 inches when finally positioned.

All piers must rest on footings (see 4.2) that extend below the frost line (see 4.2.2 for exceptions to placement) and are placed on either undisturbed soil or compacted fill except for interior heated areas, which may bear above frost line on undisturbed soil or compacted fill.

#### 4.1.4 Design Procedures

Pier height is to be measured from top of the footing.

#### 4.3 Permanent Foundations

Permanent foundations shall be designed, permitted, constructed, and inspected in accordance with the local building department requirements.

For those areas of the State of Colorado without an adopted building code, foundations shall be constructed in accordance with a professional engineered design, or the Permanent Foundations Guide for Manufactured Housing - September 1996, and shall be inspected and certified by the foundation designer.

#### 4.4.2 Severe Wind Areas

Consult the authority having jurisdiction or a Professional Engineer or Architect.

#### 5.3 Interconnection of multi-section homes

Table 5-1 Normal Home Installations (Single- Or Multi-section Homes)

##### Piers-Ground anchors:

The manufactured home rests on piers of concrete block; formed-in-place concrete; permanent wood; or steel pedestals on permanent wood, crushed stone, approved ABS, or concrete footers. The ground anchors are embedded at an angle in the soil to act as dead-men to resist the horizontal and vertical wind forces. Straps are tied to the frame, with or without over-the-top straps.

#### 5.5 Anchoring Instructions

After blocking and leveling, the installer shall secure the manufactured home against the wind. The type of installation is the determining factor in deciding how this should be done,

as is described in the following sections.

#### 5.5.1.1 Number and location of anchors

The home must be anchored to the ground in order to resist overturning and lateral movement (sliding) of the home caused by the forces imposed by the wind. The Tie Down Anchoring System described in this section is one acceptable method of anchoring the home to withstand its wind load.

Unless otherwise noted, all Tie Down and Anchoring Instructions are for homes with roof pitches, which do not exceed 20 degrees (4.3 inches in 12 inches).

A Registered Colorado Professional Engineer, Architect or a nationally recognized testing laboratory shall certify the Tie-Down Anchoring Devices. They must be capable of resisting an allowable working load equal to or exceeding 3,150 pounds and shall be capable of withstanding a 50 percent overload (4,725 pounds total) at an angle of 45 degrees from the vertical. Ground anchors must be installed as specified by the Anchor Manufacturer.

Anchoring Equipment exposed to weather shall have a resistance to weather deterioration at least equivalent to that provided by a coating of zinc on steel of not less than 0.3 ounces per square foot of surface coated. Slit or cut edges of zinc-coated strapping do not need to be zinc coated.

Straps shall be Type 1, Finish B, Grade 1 steel strapping, 1-1/4 inches wide and 0.035 inches in thickness, certified by a Registered Professional Engineer or Architect, or listed as conforming with ASTM Standard Specification D3953-91, Standard Specification for Strapping, Flat Steel and Seals.

The home must be in its final position with sections fastened together prior to installing Tie-Down Equipment.

#### 5.5.1.2 Ground Anchors

Replace figure 5-2 with Table D.

Before Ground Anchor Installation, determine that the Anchors will not be close to any underground utility lines.

The Ground Anchor Spacing and Installation Method were developed by Manufactured Housing Research Alliance.

Ground Anchors shall be installed in accordance with the manufacturer's written instructions. The following is one example: Install the anchors at the locations selected from Table D when the home manufacturer's installation instructions are not available.

#### 5.5.1.3 Steps for Proper Ground Anchor Installation

These steps must be followed to use Table D:

1. Place the Anchors approximately four inches to the inside of the exterior wall line of the home or a sufficient distance to avoid interference with the skirting (See Diagram).
2. Hold the Anchor at an angle of approximately 15 degrees off of vertical so that the head of the Anchor is just outside the sidewall (See Diagram).
3. Install the Anchor to a depth of approximately one-third ( $1/3$ ) the Anchor length.
4. Place a Stabilizer Plate (all lateral loaded Ground Anchor must have Stabilizer Plates) of the size indicated on the chart to the inside of the Anchor Shaft (side of Shaft toward center of house) and two inches from the shaft (See Diagram).
6. Drive the Stabilizer Plate into the ground until the top of the Plate is flush with the surface of the ground.
7. Install the Anchor to its full depth.
8. Attach the Anchor Head to the chassis main rail with approved strapping and connection hardware in accordance with the Strap Manufacturer's Instructions.
9. Pretension the Anchor by pulling it up to the Stabilizer Plate. Pull the Anchor approximately  $\frac{1}{2}$ -inch more while it is in contact with the Plate using the Strap and take-up bolt to move the Anchor Head.



10. After all Anchors have been installed and pretensioned, recheck all Anchor Straps to assure that they are tight and that the Anchor Shafts have remained in contact with the Stabilizer Plate.

#### 5.5.1.5 Important Notes about the Anchor Spacing Selector

1. For homes with 8-foot sidewalls, reduce the Anchor Spacing by  $\frac{1}{2}$ -foot.
2. Do not use this chart for homes with roof slopes greater than 20 degrees (approximately 4-in-12).
3. Anchors are required within two feet of each end wall.

#### 6.8 Skirting

Skirting, if used or required, shall be of durable materials suitable for exterior exposures. Skirting must not be attached in a manner that can cause water to be trapped between the siding or trim to which it is attached. Most local codes do not permit wood, including lumber and all wood siding used for skirting, to be used within 6 inches of the ground unless it is pressure treated to prevent decay and termite infestations. Other materials and products may be used in accordance with the manufacturer's listing and written instructions.

Except as specifically permitted by the manufacturer, an engineer, or an architect, a uniform 6-mil polyethylene opaque sheet material or other acceptable vapor barrier material shall be installed on the ground surface beneath the home to further reduce moisture. When installed the integrity of the vapor barrier shall be maintained. Where an acceptable ground vapor barrier is installed and one such ventilation opening is within 3 feet of each corner of the home, the total area of ventilation openings may be reduced to one square foot for every 300 square feet of the home's floor area. Where local codes have minimum ventilation requirements for crawl spaces, these requirements shall apply to homes with skirting and continuous foundations.

Dryer vents and air conditioning condensation drains must pass through the skirting to the outside.

#### 8.1 Proper procedures

Consult local, county, and/or state authorities before connecting any utilities. Only qualified service personnel, familiar with local codes and licensed where required, should make utility

connections and conduct tests.

#### 8.3.4 Testing procedures

Even though the drainage system was tested at the factory, it shall be rechecked for leaks after installation at the site. This shall be accomplished by capping the building drain line, filling it with water, and holding it 15 minutes. In freezing conditions, add antifreeze to the P-traps.

**STATE HOUSING BOARD**  
**BUDGET SUMMARY**  
**Tuesday, September 09, 2008**

	<b>CDBG 4/1/2008 - 3/31/2009</b>	<b>HOME 4/1/2008 - 3/31/2009</b>	<b>HDG 7/01/2008 - 6/30/2009</b>	<b>RLF 7/01/2008 - 6/30/2009</b>	<b>Program Income 7/01/2008 - 6/30/2009</b>
Current Allocation	\$3,376,642	\$6,591,731	\$2,225,000	\$0	\$0
Available Funds as of September 09, 2008	\$5,049,346	\$0	\$1,806,750	\$1,460,154	\$176,752